UNE Advanced Services

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V. ADVANCED SERVICES

Verizon VA's proposed contract language to AT&T and WorldCom implements line sharing and line splitting in a nondiscriminatory and commercially reasonable manner consistent with the *UNE Remand, Line Sharing* and *Line Sharing Reconsideration Orders*. The Commission itself has reached this very conclusion on several separate occasions. In fact, the Commission has already approved Verizon VA's line sharing, line splitting, and loop qualification offerings—which are reflected in Verizon VA's contract proposals here—in the course of approving Verizon's long distance applications in Massachusetts, Connecticut and Pennsylvania. Verizon VA's proposed contract language would automatically incorporate any changes or supplements to these already compliant offerings that are agreed upon in an ongoing industry collaborative in New York.

Given all this, it is hardly surprising that WorldCom has now agreed to Verizon VA's proposed contract language on all but two narrow issues. In the case of these exceptions, WorldCom proposes to effectively prejudge the results of an ongoing Commission proceeding (Issue III-10-4), and include unnecessary contract language on the type of equipment it may collocate on Verizon VA's premises (Issues IX-28). In contrast, AT&T continues to try to impose requirements that go well beyond what is required, and to circumvent the very collaborative process in which it has been participating (Issue III-10). WorldCom and AT&T's arguments should be rejected, and the Commission should adopt Verizon VA's proposals in full.

Issue III-10 **Line Sharing And Line Splitting**

WorldCom: **Whether the agreement should permit WorldCom to engage in line splitting and line sharing as mandated by FCC Order.**

AT&T: **How and under what conditions must Verizon implement line splitting and line sharing?**

A. OVERVIEW

Verizon VA's proposed contract language to AT&T implements line sharing and line splitting in a nondiscriminatory and commercially reasonable manner consistent with the *UNE Remand, Line Sharing* and *Line Sharing Reconsideration Orders*. The Commission has already approved of Verizon VA's line sharing, line splitting, and loop conditioning proposals in the context of Verizon's § 271 reviews, and thus Verizon VA's proposed AT&T contract §§ 11.2.17 (line sharing), 11.2.18 (line slitting) and 11.2.12 (loop qualification) should be adopted in the AT&T interconnection agreement.

1. Line Sharing Over Copper

In accordance with Commission requirements, Verizon VA's proposed AT&T contract § 11.2.17, *et. seq.* implements line sharing in a non-discriminatory manner consistent with Commission rules. Verizon VA's proposals line sharing have been approved repeatedly by the Commission.[1] Verizon VA proposes two line sharing configurations. Option 1 provides AT&T with the ability to install, own, and maintain the splitter in its own collocation space within the customer's serving end office. In this scenario, AT&T provides two cables: a cable for data connection and a cable for voice and data. Verizon VA provides a loop with voice and data capabilities to AT&T's splitter. Upon leaving the splitter, the voice traffic will be passed back to

[1] *See MA Verizon § 271 Order* ¶ 165; *CT Verizon § 271 Order* ¶ 23; *PA Verizon § 271 Order* ¶ 78.

the main distribution frame ("MDF") so that Verizon VA may provide voice service to the end user. The data traffic leaves the splitter and is passed from AT&T to AT&T's customer (an ISP or end user). Verizon Exhibit 2 at 10-11.

AT&T's splitter may be installed as part of an initial or subsequent physical collocation application. When the splitter is installed as part of an initial physical collocation implementation, AT&T orders the cable termination as part of the initial physical collocation application. When a splitter and associated cable and frame termination are installed as part of an existing physical collocation arrangement, augments are required, and AT&T orders the cable terminations through a physical collocation augment application. AT&T must provide Verizon VA with the required cables. Verizon Exhibit 2 at 11.

In Option 2, Verizon VA installs and maintains an AT&T-owned splitter in Verizon VA space. In this scenario, the splitter will be placed in a relay rack in a virtual collocation arrangement with connections to the MDF. The splitter is placed within the central office at a location determined by Verizon VA engineers by taking into account optimum space utilization. Three cables are required for this scenario. First, a cable connects from the MDF to the splitter, and carries voice and data traffic to the splitter. A second cable is routed for data from the splitter shelf to AT&T's DSLAM. Finally, a third cable connects from the splitter to the MDF to return voice traffic to Verizon VA for provisioning the voice service to the end user. AT&T must provide Verizon VA with approved splitters, splitter shelves, and cables. The splitter shelf and components are installed on a shelf-at-a-time basis. AT&T does not have physical access to the installed splitters or to the MDF. Verizon Exhibit 2 at 11-12.

2. Line Splitting Over Copper

Verizon VA's proposed AT&T contract § 11.2.18.1 permits AT&T to engage in line splitting as described in ¶ 18 of the *Line Sharing Reconsideration Order.* Thus, Verizon VA's

proposed contract language provides AT&T with "nondiscriminatory access to the individual network elements necessary to provide line-split services" by permitting AT&T to purchase an unbundled DSL-capable loop terminated to a collocated splitter to provide voice and data services.[2]

As for the more complex line splitting arrangements and the associated OSS work for line splitting, the Commission's *Line Sharing Reconsideration Order* urged ILECs and CLECs to work together to develop processes and systems to support line splitting arrangements, OSS, and loop qualification issues.[3] Verizon has been doing just that by working with CLECs—including AT&T and WorldCom—in the New York DSL Collaborative monitored by the New York Commission in Case 00-C-0127 ("NY DSL Collaborative") to develop the business rules associated with ordering, provisioning and billing when a CLEC wants to provide line splitting. Verizon used this collaborative process to develop a standardized line splitting product based on service descriptions and business rules that incorporate input from all interested parties. Consistent with this desire to implement a standard line splitting product throughout the entire Verizon footprint, Verizon VA's proposed AT&T contract § 11.2.18.1 implements the results of agreements reached in the NY DSL Collaborative. The New York Commission has approved this approach in its recent Order in an arbitration with AT&T.[4] AT&T should not be allowed to circumvent the Commission's recommended forum for addressing these issues through individual arbitration proceedings.

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[2] *See MA Verizon § 271 Order* ¶¶ 175-76; *see also CT Verizon § 271 Order* ¶¶ 10, 53 and *PA Verizon § 271 Order* ¶ 78 (finding that Verizon satisfies its line splitting obligations).

[3] *Line Sharing Reconsideration Order* ¶¶ 21, 22 n. 41.

[4] *See Verizon/AT&T New York Order* at 67-68.

Moreover, it is premature and inappropriate to lock a great deal of operational detail in an interconnection agreement on a product that may need further refinement based on actual market experience. Line splitting is a new and evolving product. The service descriptions developed by the NY DSL Collaborative were tested through a pilot phase from June until late October 2001. Because CLEC volumes in the pilot were dramatically lower that negotiated by the parties, the level of troubleshooting normally associated with such a trial was impossible. *See* Verizon Exhibit 41; Tr. 769, 774. To date, actual market demand for line splitting in New York remains extremely soft. It is essential therefore, that Verizon VA's current interconnection agreements be flexible enough to reflect any modifications to the methods and procedures that flow from actual market experience over time. This approach allows the parties to avoid being locked into operational details that prove unworkable, or at a minimum less than optimum. Verizon VA's proposed contract language provides this flexibility.

3. Access to the High Frequency Portion of a Loop Served By Fiber-Fed Digital Loop Carrier

Verizon VA's network currently has numerous digital loop carrier ("DLC") systems deployed, however none are capable of providing integrated DSL capability. *See generally* Verizon Exhibit 2 at 28-39. Based on its current network, Verizon VA's proposed AT&T contract language permits AT&T to access the high frequency portion of a loop served by DLC equipment by deploying a Telephone Outside Plant Interconnection Cabinet ("TOPIC") at or near the feeder distribution interface "accessible terminal" connecting Verizon VA's copper distribution to Verizon VA's DLC supported feeder. AT&T may then purchase (if desired) a sub-loop feeder element to transport the data signal back to the central office. AT&T may also use its own facilities or those of a third party to transport the data over a network separate from

Verizon VA's.[5] Verizon Exhibit 2 at 42. Verizon VA's sub-loop TOPIC arrangement is outlined in Verizon's proposed AT&T contract § 11.2.14.6.3.

Verizon VA's proposed language for providing access to the high frequency portion of fiber-fed loops satisfies its requirements under Commission rules.[6] While the Commission has recognized that there may be other ways in which "line sharing" might be implemented where there is fiber in the loop, those may be unduly burdensome or expensive based on currently available technology, and there high risks of technological obsolescence and stranded unrecoverable investment to any carrier that implements them. *See* generally Verizon Exhibit 16, Rebuttal Exhibits ASP-5-8. Indeed, the FCC has not mandated any particular method of access to the high frequency portion of a fiber-fed loop. Instead, the Commission initiated further proceedings to address the various methods by such access may be provided.[7]

a. Loop Qualification

The Commission has already found that Verizon VA's loop qualification procedures provide "nondiscriminatory access to OSS pre-ordering functions associated with determining whether a loop is capable of supporting xDSL technologies."[8] As in the rest of the Verizon-East footprint, Verizon VA's proposed § 11.2.12.2 permits AT&T to access loop qualification information in one of several ways.

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[5] Subject to the availability of space, Verizon VA allows the collocation of AT&T's DSLAM inside Verizon VA's RTs. *See* Verizon's proposed AT&T contract §§ 11.2.14.6.14 and 13.6. *See* Verizon's proposed AT&T contract § 11.2.14.7 for access to feeder sub-loops.

[6] *See Line Sharing Reconsideration Order* ¶ 12 (clarifying that "where a competitive LEC has collocated a DSLAM at the remote terminal, an incumbent LEC must enable the competitive LEC to transit traffic from the remote terminal to the central office. The incumbent LEC can do this, at a minimum, by leasing access to the dark fiber element or by leasing access to the sub-loop element.")

[7] *Id.*

[8] *MA Verizon § 271 Order* ¶ 60; *CT Verizon § 271 Order* ¶ 54, *PA Verizon § 271 Order* ¶ 45.

First, Verizon provides access to a mechanized loop qualification database in compliance with Commission requirements to meet CLEC needs in providing DSL loops. Verizon VA's proposed AT&T contract § 11.2.12(A)-(B). This database provides information relevant to whether a particular loop is qualified to provide the DSL service the CLEC wants to provide. AT&T may utilize this mechanized loop qualification database, where available, prior to submitting an electronic order for line sharing. Verizon Exhibit 2 at 17.

Second, if AT&T chooses not to use the mechanized loop qualification database, Verizon VA will make loop qualification information available through either a manual loop qualification, or by a third means, an Engineering Query. *See* Verizon VA's proposed AT&T contract § 11.2.12.2(C). These processes may involve MLT testing, access to electronically-stored loop make-up information, and a review of paper records ("cable plats"). Verizon VA can access paper plant location records from various engineering offices throughout the region, obtain the requested information, and present it back to AT&T within the time specified by the *UNE Remand Order*. Verizon Exhibit 2 at 18.

Finally, in addition to the three methods of access offered by Verizon VA's proposed interconnection agreement, Verizon VA has made a bulk loop qualification method available to CLECs that request information in a bulk format. This information is available by central office in an electronic format. AT&T may obtain this bulk information by entering into a separate licensing agreement with Verizon VA. Verizon Exhibit 2 at 18.

Moreover, as a result of discussions in the NY DSL Collaborative, Verizon developed and provides electronic access to the limited loop make-up information contained in a back office inventory system known as Loop Facilities Assignment Control System ("LFACS"), even though the CLECs could not agree on an approach and method and reimburse Verizon for

development costs. Verizon Exhibit 2 at 19. Access to LFACS data was just implemented this past October. Once costs and prices can be developed, Verizon VA will amend its interconnection agreements with AT&T to include access to LFACs data. Verizon Exhibit 2 at 19-20. Until that time, however, it is premature to negotiate the specific contract language.

B. DISPUTED ISSUES WITH WORLDCOM

With one exception, Verizon VA and WorldCom have reached agreement on contract language for Issue III-10, consisting of § 4 (line sharing and line splitting) and § 3.12 – 3.16 (loop qualification) to Verizon VA's UNE Attachment as amended by WorldCom. Tr. 688. Only Issue III-10-4 remains unresolved.

As stated by WorldCom, Issue III-10-4 reads as follows:

> MCIm proposes that when Verizon upgrades its network to provide DSL-based services out of remote terminals, it be given access to those remote facilities (or to Loops attached to those remote facilities) on the same terms and conditions as Verizon has access or provides access to its affiliates.

This issue is premature. Verizon VA's interconnection obligations apply only to its current network, not to an as yet unbuilt one.[9] Furthermore, Verizon has not made any definitive decision to upgrade its network to provide DSL-based services out of remote terminals. If Verizon VA does upgrade its network, however, it will provide access on a nondiscriminatory basis to the extent required by applicable law. *See* Verizon Exhibit 16 at 53-56; Verizon Exhibit 2 at 28-47. Moreover, Issue III-10-4, like AT&T's Issue V-6, addresses providing access to the high frequency portion of an NGDLC loop. The Commission is currently reviewing access to NGDLC loops, including the high frequency portion of those loops, in a rulemaking, and has

[9] *Iowa Utilities Board I* at 812-13.

deferred AT&T's Issue V-6 until the conclusion of that proceeding. The Commission likewise should defer Issue III-10-4.

Verizon VA's proposed § 2 to the UNE Attachment to WorldCom contractually binds Verizon VA to comply with applicable law, and the results of the Commission's ongoing proceeding will therefore automatically apply. No further contract language is required, and WorldCom's proposed § 4.10 should be rejected.

C. DISPUTED ISSUES WITH AT&T

1. Discussion

a. Verizon VA's Interconnection Agreements Must Recognize Differences Between Line Sharing and Line Splitting.

Based on an oversimplified comparison of line sharing and line splitting, AT&T's Schedule 11.2.17 proposes contract language that blends the two services together. However, line sharing and line splitting are fundamentally different services. In the case of line sharing, a CLEC obtains access only to the high frequency portion of the loop, while Verizon VA continues to provide retail voice services to the end user. In the case of line splitting, on the other hand, a CLEC obtains access to the entirety of the unbundled loop, and provides both voice and data service itself or through a partnership with a separate data provider. This fundamental difference between necessarily results in differences in everything from operational and provisioning processes, to maintenance and repair, and even billing. *See* Verizon Exhibit 16 at 19; Tr. 760.

The two products differ significantly from an operational support standpoint. In line sharing, the high frequency spectrum, as a stand alone UNE, can be obtained by a CLEC without the authorization of the underlying voice provider (Verizon VA). The CLEC is billed directly for the line sharing UNE. In line splitting, a CLEC UNE-P voice provider controls access to the facility. Charges associated with the data are billed to the voice provider, who (through the

establishment of a business relationship with the data provider) bills the data provider for access to the high frequency. Indeed, based on this threshold issue, the industry, though the NY DSL Collaborative, developed separate and distinct business rules and service descriptions for line sharing and line splitting. Accordingly, Verizon built different operational support systems for pre-ordering, ordering, provisioning, maintenance and billing for line sharing and line splitting. Furthermore, in some cases central office wiring and testing functionality will differ between line sharing and line splitting depending on the configurations requested by the participating CLECs. Tr. 755.

AT&T's proposed Schedule 11.2.17 fails to account for these very substantive differences between line sharing and line splitting. The parties' interconnection agreement must be flexible enough to accommodate the additional methods, procedures, and internal and external training necessary for line splitting without the need for constant amendments. Incorporating by reference the "implementation schedule, terms, conditions and guidelines established" by the ongoing NY DSL Collaborative, Verizon VA's proposed contract to AT&T § 11.2.18.1 accommodates both the evolving nature of line splitting and the need to address future methods and procedures. AT&T's proposed language fails to do this and should be rejected.

b. Any Collocation-Related Disputes Should Be Deferred to the Virginia Commission's Collocation Tariff Proceeding.

Verizon VA, AT&T and WorldCom have made significant progress toward establishing terms and conditions for collocation in Virginia in a proceeding before the Virginia Commission. Of that progress, there can now be no doubt. In December 2000, Verizon VA, AT&T, WorldCom, and Sprint entered into a settlement agreement addressing collocation rates, terms, and conditions in Verizon VA's intrastate collocation tariff ("VA Collocation Settlement") in Case No. PUC990101 before the Virginia Commission. The VA Collocation Settlement

requested that the Virginia Commission resolve certain non-pricing issues and defer certain cageless collocation issues pending further rulings by the Commission or courts. On September 12, 2001, and September 28, 2001, Verizon VA revised its tariff to introduce a new collocation service alternative and to comply with the Commission's *Collocation Remand Order*. Because several CLECs did not participate in the VA Collocation Settlement, the Virginia Commission rejected the VA Collocation Settlement on October 12, 2001, and encouraged all parties to negotiate pricing and non-pricing issues in Case No. PUC990101.[10] The Virginia Commission instructed the parties to identify and attempt to resolve all non-pricing issues on or before December 14, 2001, and on such date file a stipulation of those non-pricing issues that have been resolved and those that remain outstanding.[11] Verizon VA's collocation tariff, including the September 12th and 28th amendments, was permitted to remain in effect on an interim basis, subject to refund and/or modification.[12] Accordingly, the Virginia Commission is well on its way to establishing an the terms and conditions for collocation applicable to all CLECs in Virginia.

AT&T raises several collocation-related issues in this arbitration.[13] In light of the *VA Collocation Order*, Verizon VA urges the Commission to defer any disputed collocation issues in this proceeding to the Virginia Commission's Case No. PUC990101. First, the Commission lacks jurisdiction to address these issues. The Commission has preempted the Virginia Commission's jurisdiction of these arbitrations, at the request of Petitioners, pursuant to 47

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[10] *VA Collocation Order* at 7.

[11] *Id.* at 7-8.

[12] *Id.* at 8-9.

[13] *See* Issues III.10.B.8, III.10.B.10, and III.10.B.12.

U.S.C. § 252(e)(5) of the Act.[14] Under the plain terms of that section, the Commission may assume jurisdiction if and only if the Virginia Commission "fails to act."[15] Section 252(e)(5) cannot be invoked here for the simple reason that the Virginia Commission has not failed to act. Quite the contrary, it has permitted Verizon VA's collocation tariff revisions to take effect while continuing to consider collocation issues. Indeed, the Virginia Commission has specifically announced its intention to resolve any collocation issues that the parties cannot resolve through negotiation.

Second, even aside from the fact that the Commission cannot exercise jurisdiction, it *should not* exercise jurisdiction as a matter of comity. In our federal system, principles of comity counsel federal institutions to pay "a proper respect for state functions." *Younger v. Harris*, 401 U.S. 37, 44 (1971); *see also Oyola v. Bowers*, 947 F.2d 928, 932 (11th Cir. 1991) ("Comity concerns the recognition that one sovereign extends to the legislative, executive and judicial acts of another"), *citing Hilton v. Guyot*, 159 U.S. 113, 163-64 (1895). That respect generally translates into a refusal by the federal government to "replow the same ground" worked by state courts and agencies. *United States v. Claiborne*, 92 F. Supp. 2d 503, 509 (E.D. Va. 2000). Nothing in the Act suspends those principles of comity.

Collocation issues are pending and will be decided in a proceeding before the Virginia Commission in which all interested parties, including AT&T and WorldCom, are participating.

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[14] *VA (Verizon/AT&T) Arbitration* at n.2.

[15] Moreover, section 252 (e)(5) allows the Commission to assume jurisdiction only to the extent that a state commission fails "to carry out its responsibilities *under this section*." But as at least one court has pointedly noted, the 1996 Act "contains no provisions requiring a public utility commission to create detailed performance standards [and] does not specifically delineate the powers of the public utilities commissions with respect to" liquidated damages and penalty provisions. *U.S. West Communications, Inc. v. Hix*, 57 F. Supp. 2d 1112, 1121 (D. Colo. 1999).

It is therefore unnecessary and inappropriate for the Commission to decide any disputed collocation issues. Moreover, collocation is an inquiry much broader—and involving many more parties—than the inquiry into the rights and obligations of particular parties to an interconnection agreement. The Virginia Commission is conducting such a proceeding, and that is where these issues should be determined. In the meantime, Verizon VA's effective collocation tariffs should govern the terms and conditions under which AT&T receives collocation, including collocation relating to the provision of advanced services.

c. Response to AT&T's Statement of Sub-Issues

As described above, the Commission has repeatedly found that Verizon has implemented both line sharing, line splitting, and loop qualification procedures in a nondiscriminatory and commercially reasonable manner, and Verizon VA's proposed contract language would make those same offerings available in Virginia. While this fully addresses the issue, AT&T nonetheless included several sub-issues that relate to line sharing or line splitting. While it is not clear what relation these sub-issues have to AT&T's proposed contract language (Schedule 11.2.17), in the interest of completeness, Verizon VA addresses each below.[16]

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[16] The first two sub-issues (III.10.A and III.10.B) merely address whether Verizon VA must provide line sharing and line splitting in a non-discriminatory and commercially reasonable manner, and appear merely restatements of Issue III-10. These Issues are stated as follows:

> Issue III.10.A - Must Verizon implement both line sharing and line splitting in a nondiscriminatory and commercially reasonable manner that allows AT&T to provide services in the high frequency spectrum of an existing line on which Verizon provides voice service (line sharing) or on a loop facility provided to AT&T as a UNE-loop or as part of a UNE-P combination (line splitting)?
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> Issue III.10.B - Must Verizon implement line splitting in a nondiscriminatory and commercially reasonable manner that allows AT&T to provide services in the high frequency spectrum of an existing line on which Verizon provides voice service (line sharing) or on a loop

(continued...)

III.10.B.1. Must all aspects of the operational support delivered to AT&T in support of line sharing and line splitting arrangements with Verizon be at no less than parity as compared to the support provided when Verizon engages in line sharing with its own retail operation, with an affiliated carrier, or with unaffiliated carriers in reasonably similar equipment configurations?

AT&T does not specify which—if any—sections in its revised Schedule 11.2.17 address this issue. However, Verizon VA's proposed AT&T contract §§ 11.2.17 (line sharing) and 11.2.18 (line splitting), as well as its loop qualification proposals in § 11.2.12, satisfy Verizon VA's obligations to provide line sharing and line splitting in a nondiscriminatory manner to all CLECs.

As an initial matter, Verizon VA currently does not provide retail DSL services. As required by the Commission's *BA/GTE Merger Order*, Verizon created a separate affiliate, Verizon Advanced Data Inc. ("VADI"), to provide advanced services. VADI was registered as a CLEC, and Verizon was required to treat VADI the same as any other CLEC. On September 26, 2001, the Commission granted Verizon's request to accelerate the sunset date of the requirement to provide advanced services only though a separate affiliate.[17] However, Verizon VA has not yet reintegrated VADI's advanced services operations into the ILEC. Consequently, as of today, Verizon provides DSL only through VADI and provides line sharing to VADI on the same terms as it does to other unaffiliated CLECs.

As Verizon VA has made clear, the line sharing ordering process used by VADI is the same as the line sharing ordering process used by any other CLEC: VADI or any other CLEC

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facility provided to AT&T as a UNE-loop or as part of a UNE-P combination (line splitting)?

[17] *In the Matter of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control*, CC Docket No. 98-184, Order (rel. Sept. 26, 2001).

submits one LSR, using OSS interfaces, for the establishment of a line sharing arrangement in order to offer an DSL product over a loop used by Verizon VA to provide voice service. Verizon Exhibit 16 at 34. Likewise, while VADI does not engage in line splitting at this time, the ordering processes it would use if it did are the same as those used by any other CLEC (whether a UNE-P provider or a data provider) ordering a line splitting arrangement. Finally, Verizon VA provides the same underlying ***support*** for line splitting as it does for line sharing. Tr. 758-59. The systems modifications implemented this past October as a result of the NY DSL Collaborative were undertaken specifically to permit Verizon VA's loop qualification, ordering, provisioning, maintenance, and billing systems to accommodate both line sharing and line splitting. Tr. 759. To the extent additional measures are agreed upon in the NY DSL Collaborative, those too would be made available in Virginia under the terms of Verizon VA's proposed AT&T contract § 11.2.18.1.

III.10.B.2. Must Verizon immediately provide AT&T with the procedures it proposes to implement line splitting on a manual basis?

It is unclear whether AT&T's revised Schedule 11.2.17 includes any specific section pertaining to this issue. Nevertheless, Verizon VA's proposed AT&T contract § 11.2.18.1 implements line splitting for AT&T in Virginia consistent with the service descriptions, procedures and timelines agreed upon in the NY DSL Collaborative. AT&T does not specify what "procedures" it seeks in Issue III.10.B.2. If AT&T seeks the service descriptions or methods and procedures Verizon VA intends to implement in Virginia, AT&T has received those procedures through its participation in the NY DSL Collaborative. Verizon Exhibit 16 at 34-35. Moreover, AT&T has received these procedures through its participation in other state proceedings—and indeed participated in their development through the New York Collaborative.

Indeed, these are the same processes and procedures that the Commission reviewed in Verizon's § 271 proceedings for Massachusetts, Connecticut, and Pennsylvania, to which AT&T was a party. In addition, Verizon VA provided all methods and procedures developed in the NY DSL Collaborative in Verizon Exhibit 63 in response to Commission Staff's record request in this proceeding. Consequently, this issue has been fully addressed.

III.10.B.3. Must Verizon implement electronic OSS that are uniform with regard to carrier interface requirements and implement line splitting contemporaneously with its implementation of such capabilities in New York, but in no event later than January 2002?

It appears the parties have resolved Issue III.10.B.3. AT&T's revised Schedule 11.2.17 no longer contains a January 2002 implementation date for line splitting. Verizon VA's proposed contract § 11.2.18.1 to AT&T commits the Company to make a good faith effort to implement the results of the NY DSL Collaborative in Virginia at the same time as in New York, and no later than the effective date of the Agreement. The Commission should not set a more specific timeframe for implementation in Virginia.

III.10.B.4. Must Verizon provide automated access to all loop qualification data to AT&T simultaneously with providing automated access to itself or any other carrier, including non-discriminatory treatment with regard to planning and implementation activities preceding delivery of the automated access?

Verizon VA's proposed loop qualification contract language satisfies its obligations under the Act and Commission Rules. In its orders granting Verizon's long distance applications in Massachusetts, Connecticut, and Pennsylvania, this Commission has already determined that Verizon procedures for access to loop qualification data fulfills its obligations under the *UNE*

Remand Order. [18] Verizon VA's loop qualification proposals are identical to the processes used in these states

Moreover, as with the OSS issues, loop qualification was one of the issues that the *Line Sharing Reconsideration Order* expressly encouraged the parties to address through on-going state collaboratives. The NY DSL Collaborative extensively addressed loop qualification issues, including the access to loop qualification data that Verizon will provide to CLECs. AT&T was an active participant in the NY DSL Collaborative and its loop qualification working group. Verizon VA's proposed loop qualification contract language contained in § 11.2.12, *et. seq.* reflects the efforts of NY DSL Collaborative, and should be adopted.

III.10.B.5. May Verizon require AT&T to pre-qualify a loop for xDSL functionality?

Again, this issue has been addressed in the NY DSL Collaborative, and Verizon VA's proposed loop pre-qualification procedures and requirements contained in § 11.2.12, *et seq.* reflect the progress of that proceeding. For the reasons outlined in response to AT&T's loop qualification contract proposals in Section D below, AT&T should be required to pre-qualify a loop for DSL functionality, and AT&T's proposed contract language §§ 1.3.1 – 1.3.3 of Schedule 11.2.17 to the contrary should be rejected.

III.10.B.5.a. If AT&T elects not to pre-qualify a loop and the loop is not currently being used to provide services in the HFS, but was previously used to provide a service in the HFS, should Verizon be liable if the loop fails to meet the operating parameter of a qualified loop?

[18] *See MA Verizon § 271 Order* ¶ 60; *CT Verizon §271 Order* ¶ 54; *PA Verizon §271 Order* ¶ 45.

This issue appears to be resolved for the purposes of this proceeding. AT&T's revised Schedule 11.2.17 no longer contains language relevant to this issue. Moreover, this issue has been addressed in the NY DSL Collaborative. Indeed, pre-qualification of loops that have been used previously to provide advanced services is one of the very issues the Commission suggested the parties address through a collaborative process.

III.10.B.6. May AT&T, or its authorized agent, at its option provide the splitter functionality in virtual, common (*a.k.a.* shared cageless) or traditional caged physical collocation?

The Commission has repeatedly found that Verizon's line sharing configuration options comply with its legal requirements. Verizon VA's line sharing Option 1 permits AT&T to install its splitters in its own collocation space within a central office, and places no limitations on the type of collocation arrangement AT&T may have. *See* Verizon's proposed AT&T contract § 11.2.17.4. Under Verizon VA's line sharing Option 2, Verizon VA would install AT&T's splitter in Verizon VA's space in a relay rack in a virtual collocation arrangement. *Id.* Section 11.2.17.4 of Verizon VA's proposed AT&T contract describes how AT&T accesses the high frequency portion of the loop through "Collocation"—a defined term agreed upon by the parties in this contract and described in § 13 of the agreement without limitation of product type. Both of these splitter location options are consistent with Verizon VA's line splitting service descriptions developed in the NY DSL Collaborative. Verizon Exhibit 16 at 39.

III.10.B.7. If Verizon declines to do so voluntarily, must Verizon, at AT&T's request, deploy a splitter on a line-at-a-time basis as an additional functionality of the loop within 45 days of the Commission's order in a proceeding of general application?

This issue has been deferred.

III.10.B.8. Must Verizon perform cross-connection wiring at the direction of AT&T (or its authorized agent), including CLEC-to-CLEC cross-connections, regardless of who deploys a splitter or where it is deployed in a line sharing or line splitting arrangement?

Verizon VA's proposed § 13, addressing collocation issues, contractually commits the Company to provide collocation—including CLEC-to-CLEC cross connections—in accordance with applicable law and the Company's applicable tariffs. The Commission's recently released *Collocation Remand Order* outlines the applicable law for CLEC-to-CLEC cross connections. On September 28, 2001, Verizon VA amended its interstate and intrastate collocation tariffs to comply with the Commission's new rules. No further contract language is necessary on this issue, and AT&T's proposed contract Schedule 11.2.17, §§ 1.4.2 and 1.4.2.1 should be rejected.

III.10.B.9. Must Verizon implement line sharing/splitting in a manner consistent with that ordered in New York?

Verizon VA's proposed contract § 11.2.18.1 expressly states that Verizon VA will implement the agreed upon results of the NY DSL Collaborative in Virginia consistent with the implementation schedules, terms, conditions, and guidelines established by the Collaborative, allowing for local jurisdictional and OSS differences.

III.10.B.10. Must Verizon allow AT&T to collocate packet switches in collocation space?

Verizon VA's proposed § 13 addressing collocation issues contractually commits the Company to provide collocation in accordance with applicable law and its applicable tariffs. The *Collocation Remand Order* defines the standard and the criteria for equipment that ILECs must permit CLECs to collocate. The Commission's new rules also establish criteria specific to

multifunction equipment. Verizon VA's collocation tariffs currently reflect these new rules. No further contract language is necessary on this issue.

III.10.B.11. Must Verizon support the loop-local switch port-shared transport combination in a manner that is indistinguishable from the operational support Verizon delivers to the retail local voice services Verizon provides in a line sharing configuration, including cases where Verizon shares a line with Verizon Advanced Data, Inc., or another Verizon affiliate, or any unaffiliated carriers, if a loop facility in a line splitting configuration is connected to Verizon's unbundled local switching functionality?

Again, AT&T does not specify which—if any—sections in its revised Schedule 11.2.17 address this issue. Moreover, AT&T's vaguely worded Issue III.B.10.11 fails to identify the precise nature of the dispute between AT&T and Verizon VA. If AT&T seeks to force Verizon VA to implement line splitting in an identical manner as line sharing, AT&T ignores the substantial differences between line sharing and line splitting. While Verizon VA provides the same type of support to both line sharing and line splitting, it cannot in all cases provide "indistinguishable" support.

III.10.B.12. Is a period of thirty (30) business days adequate for Verizon to provide augmentations to existing collocations to enable AT&T to engage in line sharing or line splitting?

The Carrier to Carrier Working Group Collaborative—created by the New York Commission to serve as a forum for CLECs to discuss issues related to Verizon New York's provisioning of wholesale services—has been addressing the issue of collocation augment intervals for line sharing. The New York Commission directed this collaborative to establish task-related intervals for collocation augmentation work orders. Verizon Exhibit 42.

On June 19, 2001, the Carrier to Carrier Working Group agreed upon terms and conditions that included a 45 business day interval for certain augments. The agreed-upon terms, conditions, and intervals are included in a stipulation and illustrative tariff filed by the parties to the Massachusetts Department of Telecommunications and Energy Case 98-57-Phase III contained in Verizon Exhibit 42 (the "Massachusetts Stipulation"). The Massachusetts Department requested comments on this stipulation from all parties to Case 98-57-Phase III, including AT&T. No party filed comments or opposition to the Massachusetts Stipulation. Verizon Exhibit 42.

The Massachusetts Stipulation establishes a 45 business day interval for eight types of line sharing collocation augmentation requests, where the necessary infrastructure is installed and available for use, to be implemented according to the terms agreed to by the Carrier to Carrier Working Group June 19, 2001 agreement. The agreement sets forth eight sub-intervals with associated collocation tasks, as well as certain "clock-stops" that account for delays that are outside the control of Verizon. For collocation augmentations not included in the June 19, 2001 agreement, the interval remains the standard collocation interval of 76 business days. The tariff language included in the Massachusetts Stipulation provides that Verizon will inform the CLEC by Day 8 whether the 45-day interval or the 76-day interval applies. Verizon Exhibit 42.

In an order issued September 4, 2001, the Massachusetts Department approved the Massachusetts Stipulation, finding it:

> reasonable, because the proposed intervals recognize that certain line sharing collocation augmentation requests are simpler to provision and require much less time than requests for a new physical collocation arrangement. Furthermore, the 45 business day interval for those requests is significantly shorter than Verizon's previous interval, yet allows Verizon sufficient time to improve its performance in order to achieve the shorter interval reliably. Given that many of the participants in this proceeding are

> also participants in the CWG, which agreed to the CWG Timelines, Requirements and Guidelines, and no party objected to or commented on Verizon and Covad's Motion, the Department concludes that the parties to this proceeding are satisfied with the proposed intervals. In determining the reasonableness of tariff provisions governing the relationship between a wholesale supplier and its customers, the lack of opposition to those provisions by CLECs is persuasive of their reasonableness.

Verizon Exhibit 42.

Verizon VA's proposed contract § 11.2.17.4 (ii) incorporates the collocation augment intervals contained in Verizon VA's applicable tariffs, which will be addressed by the Virginia Commission in Case PUC990101. Consistent with its desire to implement the results of the industry collaboratives throughout its footprint, Verizon VA proposes to implement the Massachusetts Stipulation in Virginia by amending its collocation tariff to incorporate the tariff language contained in Verizon Exhibit 42.

III.10.B.13. In circumstances where it is technically feasible to convert an existing line sharing arrangement to a line splitting arrangement without physical disruption of then-existing service to the end user, must Verizon institute records-only changes to record the necessary transfer of responsibilities, without making any changes to the physical facilities used to service the customer, unless AT&T requests otherwise?

Conversion of line sharing to line splitting involves more than just a records change. Some migrations from line sharing to line splitting will involve some physical work and disruption to the end user. The NY DSL Collaborative has developed methods to minimize these disruptions and address whether and under what circumstances changes will be required to the physical facilities used to service the end user. However, Verizon VA is planning to perform conversions without changing the physical facilities where technically feasible. Verizon Exhibit 16 at 49. Moreover, where a service disruption is necessary, such as when a jumper is moved,

Verizon VA takes steps to ensure the service disruption does not occur while the telephone line is in use, and such disruptions are not significant. *See* Tr. 799.

III.10.B.14. In circumstances where the establishment of a line sharing or line splitting configuration requires physical re-termination of wiring, must Verizon make such changes in a manner that assures that no less than parity is achieved for AT&T and its customers with respect to out-of-service intervals and all other operational support, as compared to line sharing or line splitting configurations that have equivalent splitter deployment options?

This issue is being addressed by the NY DSL Collaborative, and Verizon VA will comply with the procedures specifically developed in that forum for this type of scenario. Verizon Exhibit 16 at 49. Moreover, as discussed in response to Issue III.10.B.1 above, Verizon VA's proposed contract language and applicable law provide sufficient nondiscriminatory protections to AT&T in the line sharing and line splitting context.

III.10.B.15. May Verizon require any form of collocation by AT&T as a pre-requisite to gaining access to the low frequency spectrum of a loop, the high frequency spectrum of the loop, or both, unless such collocation is required to place equipment employed by AT&T (or its authorized agent) to provide service?

Verizon VA does not require AT&T to collocate as a prerequisite to gaining access to the low frequency spectrum of a loop, the high frequency portion of the loop, or both except to the extent that a data provider—whether AT&T or an authorized agent—must physically or virtually collocate a splitter and DSLAM equipment to provide data services. A voice provider engaged in a line splitting scenario, however, does not need any additional collocation arrangement beyond that required for the splitter where it uses a loop and switch port combination provided by Verizon VA to provide voice service. Verizon Exhibit 16 at 50.

D. CONTRACT PROPOSALS

As demonstrated above, Verizon's proposed contract language for line sharing, line splitting, and loop qualification not only satisfies its obligations under the Act and the Commission's rules, but reflects the progress of on-going industry collaboratives. Verizon VA's proposals are identical to those already approved by this Commission in its review of Verizon's long distance applications in Massachusetts, Connecticut, and Pennsylvania. AT&T's proposed contract language, on the other hand, seeks to impose requirements well beyond Verizon VA's legal obligations, and should be rejected in its entirety.

1. Line Sharing and Line Splitting

AT&T's proposal for line sharing and line splitting, contained in its Schedule 11.2.17 not only inappropriately blur the distinction between line sharing and line splitting, but contains numerous provisions that are unworkable. AT&T has also omitted any references to how rates apply to them in its proposed language. In addition, AT&T attempts to short circuit the collaborative process by proposing its implementation wish list for line splitting without regard to how it affects Verizon VA's operations or other carriers (in particular data providers). The NY DSL Collaborative made very clear from the beginning that different competitive carriers have different priorities and do not always agree on the best way to implement line splitting. For example, there was disagreement among data providers and voice CLECs over which carrier should control the circuit in a line splitting scenario and have the right to disconnect data or voice service. Verizon Exhibit 16 at 33. Only by discussing these issues in a collaborative process under the supervision of a regulatory body could the parties develop consensus line splitting arrangements that will work for all parties. The work of the collaborative is not complete. AT&T should not be permitted to lock Verizon VA into implementing AT&T's idiosyncratic view of how line splitting should be accomplished. Instead, the interconnection

agreement between the parties should incorporate the progress made by the NY DSL Collaborative, which has addressed the disputed issues raised by AT&T's proposed line splitting language. For these reasons, AT&T's proposed Schedule 11.2.17 outlining its line sharing and line splitting proposals should be rejected.

2. Loop Qualification

The Commission should reject AT&T's proposed contract language regarding loop qualification. Verizon VA's proposed contract language § 11.2.12, *et seq.* provides AT&T with adequate loop qualification data for providing DSL service and "nondiscriminatory access to OSS pre-ordering functions associated with determining whether a loop is capable of supporting xDSL technologies."[19] Contrary to AT&T's assertions, Verizon VA's loop qualification procedures are not lengthy and expensive. In a majority of cases, AT&T will be able to perform a mechanized loop pre-qualification, which takes seconds to perform for a minimal cost. Indeed, 97% of the central offices in Virginia that currently have collocation arrangements (representing 99.5% of the lines) are in the loop qualification database. In those instances where an Engineering Query is necessary, the results are returned within 3 business days. Verizon Exhibit 16 at 53.

The Commission should reject AT&T's proposed Schedule 11.2.17, § 1.3.2 permitting AT&T to decide at its sole discretion whether it will use Verizon VA's pre-qualification process to individually qualify loops to provide advanced services. If Verizon VA's pre-qualification tools are utilized, and pre-qualification information has been returned from Verizon VA to AT&T, then AT&T has the means and information required to decide whether or not to provide advanced services to its customers. AT&T should not be permitted to use its pre-qualification

[19] *MA Verizon § 271 Order* ¶ 60; *CT § 271 Order* ¶ 54; *PA Verizon § 271 Order* ¶ 45.

tools instead of those developed by Verizon VA to make this determination. The existing loop qualification methods and tools developed have been implemented on the basis of the consensus of all parties and collectively meet the CLECs' needs for pre-qualifying loops for DSL. Moreover, a number of the processes and programs developed have been as a result of direct CLEC intervention and request. Verizon VA accordingly has invested significant amounts of time and money into modifying its systems and building new capabilities. It should not now be required to expend more resources to accommodate just one CLEC in an idiosyncratic manner that is not required under applicable law. Consistent utilization of the database by all CLECs ensures that Verizon delivers the specific DSL loop that each CLEC requests. Verizon Exhibit 2 at 20-21. In addition, eliminating the pre-qualification process would require OSS modifications since Verizon VA's systems are currently designed to require a pre-qualification on advanced services such as line sharing and line splitting. *Id.* at 22.

Other state commissions have rejected AT&T's proposal to use its own pre-qualification tools. In its recent order resolving arbitration issues between AT&T and Verizon NY, the New York Commission ruled as follows:

> Loop pre-qualification matters are being addressed in the DSL Collaborative Proceeding (Case 00-C-0127) that began in August 1999. If we were to approve AT&T's proposal to use its own pre-qualification tools, Verizon would have to modify its system that other CLECs also use, and the company would incur added expenses. ***We find that the prevailing system that has been designed for all carriers is adequate***. However, to the extent that it is technically feasible to modify the requisite systems to ***accommodate both AT&T's needs and those of the other CLECs, and if AT&T is willing to pay for the modifications***, Verizon should make them.[20]

[20] *NY (AT&T/Verizon) Arbitration Order* at 55 (emphasis added).

Likewise, the Maryland Commission has rejected a similar request by Sprint.[21]

Verizon VA agrees with the New York Commission that it should only have to make those modifications that are technically feasible, accommodate the needs of all CLECs, and only where the CLECs pay for the modifications to Verizon's systems. Verizon VA's loop qualification procedures have been developed through a collaborative process with these goals in mind. Verizon Exhibit 16 at 51. Indeed, enhancements made to Verizon's systems to accommodate the needs of CLECs identified in the NY DSL Collaborative were made at its own expense with the understanding that its costs would be recovered by CLECs' use of those databases, and AT&T should not be permitted to avoid the CLEC-agreed cost by using its own alternate loop qualification tools. Moreover, separating AT&T's orders from the thousands of CLEC orders submitted to Verizon VA would require Verizon VA to reconfigure its loop qualification system for AT&T's benefit, thereby imposing new costs upon Verizon VA for which there is no means of recovery, and lead to delays in loop provisioning.

The Commission should likewise reject AT&T's proposal regarding qualification of loops previously used to provide advanced services. AT&T's proposed Schedule 11.2.17, § 1.3.3 would require Verizon VA to permit and support AT&T's use of a loop for line sharing or line splitting if the loop is currently employed to provide active DSL service. AT&T's proposal ignores a fundamental fact: once a loop is used to provide advanced services, it is not automatically qualified to provide any advanced service at any time. While a loop that has been pre-qualified for one advanced data service will be pre-qualified for the *same* advanced data service in the same time period (*i.e.* the loop has been in continuous use for the same service), pre-qualification for one type of advanced data service does not automatically pre-qualify that

[21] *See MD (Sprint/Verizon) Arbitration Order* at 11-15.

loop for another type of advanced data service. Nor does it guarantee that the same loop will still be qualified some time later if the original service has been discontinued, for the network might have been upgraded or changed in the interim. Verizon has received trouble reports from DLECs even when an DSL capable loop is pre-qualified on a loop that was previously used by another DLEC for the provisioning of DSL. Because not all carriers use the same technology, a loop that can provide data service for one carrier may not be able to provide service for another. By eliminating the pre-qualification process for loops already providing advanced services, Verizon VA will receive unnecessary trouble reports, causing it to operate in an inefficient manner. This will direct resources from customers who really need assistance, and will unfairly expose Verizon VA to financial penalties due to delays in repairing real problems. Verizon Exhibit 2 at 22-23.

The Commission should also reject AT&T's proposed Schedule 11.2.17, § 1.3.1 relating to future loop qualification procedures. In particular, the last sentence requiring Verizon VA to provide AT&T an opportunity to participate in the planning and implementation of modifications to available data compilations or procedures is unnecessary. The NY DSL Collaborative has addressed loop qualification issues in an effort to ensure that all CLECs use the same loop qualification procedures when ordering from Verizon. As a participant in the NY DSL Collaborative, AT&T is already positioned to participate in any future collaborative meetings in which additional modifications to loop qualification procedures are discussed. Verizon Exhibit 16 at 50. Moreover, nothing in the Act requires Verizon VA to involve AT&T or any other entity any further in the planning or implementation of any processes.

In addition, it is not possible to provide AT&T with pre-ordering information that informs AT&T whether a loop has been previously pre-qualified or conditioned by or on behalf

of any other carrier. Verizon's DSL Loop Qualification Database does not advise CLECs whether an address or telephone number was previously pre-qualified for DSL by or on behalf of any other carrier. This database also does not provide loop qualification information on conditioned loops because conditioned loops are ordered as digitally designed loop service, and not as DSL. The DSL Loop Qualification Database is designed to provide loop qualification information only for DSL, and does not reflect conditioning on digitally designed loops. Verizon's engineering records would be updated to reflect the results of any conditioning performed (*e.g.*, removal of loads). However, Verizon's updated engineering records do not indicate that conditioning had been performed by or on behalf of any other carrier. Verizon Exhibit 16 at 52.

AT&T's loop qualification proposals ignore two years worth of work in the NY DSL Collaborative with regard to digital loop provisioning and performance. In that proceeding, some CLECs claimed that they wanted to "customize" the characteristics of the loop to support their own product offerings. However, one CLEC's customization of a loop may not be compatible with another CLEC's product offering. As a result, loop pre-qualifications would still have to be performed and conditioning options would still need to be available to requesting CLECs. Verizon VA should not be held responsible for loop alterations made by one CLEC when another CLEC takes over the loop. Verizon Exhibit 16 at 52-53.

3. Collocation of Packet Switching Equipment

AT&T's proposed Schedule 11.2.17, § 1.4.3 would grant AT&T an unrestricted right to collocate any equipment that performs packet switching or contains packet switching as one function of multifunctional equipment, subject only to safety and engineering standards applicable to Verizon VA's equipment. However, as AT&T recognizes, the Commission's rules do not grant AT&T such an unrestricted right. The Commission's *Collocation Remand Order*

outlined the standard for equipment that must be collocated under § 251(c)(6) of the Act, and specifically established criteria for multifunctional equipment. To account for the Commission's limitations on collocation of multifunctional equipment, AT&T's proposed Schedule 11.2.17, § 1.4.3.1 would require Verizon VA to permit the collocation of equipment, and then should a dispute arise over whether the equipment satisfied the Commission's standards, engage in 60 days of negotiation, followed by "appropriate state and/or FCC intervention in the dispute." Under AT&T's proposal, AT&T would continue to use and/or deploy the subject equipment until Verizon obtains a final and non-appealable ruling in its favor. AT&T would impose on Verizon a burden of proof that the equipment at issue fails to comply with Commission rules.

In establishing its collocation rules, the Commission sought a balance between promoting competition and technological innovation in all telecommunications markets, and establishing limits on the scope of the intrusion allowed into an ILEC's property rights to avoid unnecessary takings of such property.[22] The Commission outlined the general analysis that must be undertaken to determine whether equipment satisfies the criteria for equipment that Verizon VA must collocate. In adopting its rules, the Commission noted that one of the D.C. Circuit's principal concerns with respect to the Commission's prior collocation rules was its failure to establish any standard limiting the functions that a competitor could include in collocated multifunctional equipment.[23] The Commission concluded that the best way to address the court's concerns regarding multifunctional equipment is to require an ILEC to allow collocation of that equipment only if the primary purpose and function of the equipment, as the requesting carrier seeks to deploy it, are to provide the requesting carrier with "equal in quality"

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[22] *Collocation Remand Order* ¶ 14.

[23] *Id.* ¶ 34 *(citing GTE Service Corp. v. FCC*, 205 F.3d 416, 423 (D.C. Cir. 2000)).

interconnection or "nondiscriminatory access" to one or more unbundled network elements.[24] This condition that directly applied the standard adopted for determining whether equipment is that must be collocated under § 251(c)(6). The Commission adopted further criteria designed to limit the burdens imposed on ILECs in the collocation context by preventing the collocation of equipment that "affect[s] the demand on the incumbent's space and other resources so significantly as to increase the relative burden on the incumbent's property interests."[25] AT&T's proposed § 1.4.3 would undermine the balance achieved by the Commission's rules by requiring Verizon VA to first permit collocation of AT&T's equipment, and then undertake a long-drawn-out procedure to determine whether that equipment should be collocated in the first place. The Commission should reject AT&T's attempts to circumvent its new collocation rules.

[24] *Id.* ¶ 35.

[25] *Id.* ¶ 40.

Issue IV-28 **Whether Worldcom Should Be Permitted To Collocate Advanced Services Equipment As Mandated By FCC Orders.**

While Verizon VA and WorldCom have not agreed upon specific contract language, they have agreed in principle that Verizon VA will permit collocation of advanced services equipment to the extent required by applicable law (including, but not limited to Commission rules). Verizon VA's proposed contract language on collocation contractually commits Verizon VA to permit collocation of WorldCom's advanced services equipment to the extent required by applicable law. Section 1 of its Collocation Attachment states:

> Verizon shall provide to **CLEC, in accordance with this Agreement (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, Collocation for the purpose of facilitating **CLEC's interconnection with facilities or services of Verizon or access to Unbundled Network Elements of Verizon; provided, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide Collocation to **CLEC only to the extent required by Applicable Law and may decline to provide Collocation to **CLEC to the extent that provision of Collocation is not required by Applicable Law. Subject to the foregoing, Verizon shall provide Collocation to **CLEC in accordance with the rates, terms and conditions set forth in Verizon's Collocation tariff, and Verizon shall do so regardless of whether or not such rates, terms and conditions are effective.

This language sufficiently provides for the collocation of advanced services equipment to the extent such equipment satisfies the Commission's criteria for collocation established in the *Collocation Remand* Order. On September 28, 2001, Verizon VA amended its collocation tariffs to comply with the new rules adopted by that Order. No further contract language is required.

Issue V-6 **Under What Terms And Conditions Must Verizon Provide AT&T With Access To Local Loops When Verizon Deploys Next Generation Digital Loop Carrier (NGDLC) Loop Architecture?**

This issue has been deferred.